



## Department of Energy

Washington, DC 20585

NOV 14 2003

### MEMORANDUM FOR DISTRIBUTION

FROM: *James T. Campbell*  
JAMES T. CAMPBELL  
ACTING DIRECTOR, OFFICE OF MANAGEMENT, BUDGET AND  
EVALUATION/ACTING CHIEF FINANCIAL OFFICER

SUBJECT: Transferring Accounting Data from Legacy Systems into the New  
Accounting System

The purpose of this memorandum is to request that you take priority action to ensure that accounting data transferred into the I-MANAGE Standard Accounting and Reporting System (STARS) from the current accounting system is accurate, complete, and "clean". Attached is an inventory of actions that you and your staff need to take between now and October 2004 in order to provide critical data integrity.

The attached inventory was developed by the I-MANAGE Integration Team Deployment Managers, and reflects sound practices and lessons learned from numerous past accounting systems implementation efforts at many government agencies. In large measure, agencies have found that transferring "clean" data to the new system contributes significantly to a successful implementation. Conversely, agencies indicated that poor data integrity is a major hindrance to implementation. Our accounting staffs have a daunting task simply to implement a new, complex and unfamiliar accounting system. They simply cannot afford to spend additional time and effort researching and resolving inaccurate and troublesome data.

Over the next several months, the Department will begin to transition from its current accounting organizations and configuration to that of the service provider organization to be selected under the Financial Services Competitive Sourcing Study. The Office of Finance and Accounting Policy will provide additional year-end closeout guidance regarding termination of legacy financial systems operation prior to the STARS implementation. Accordingly, the attached inventory of review steps is being provided to you now so that you may factor this additional effort into your work plans.

It is essential to the integrity of DOE's financial information that we transfer accurate and high-quality data into the opening STARS balances, and that we have complete source documents on-hand to support accounting balances at start-up. Consistent with this critical priority, I will ask each of you to certify to me, by August 5, 2004 (just prior to the STARS preliminary deployment decision date) that all the tasks identified in the attached inventory have been satisfactorily completed.



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These are challenging and potentially stressful times for the financial management community. I want to take this time to thank you and your staffs for the consistent, high-quality support that you provide to DOE. I am fully confident that we will continue to deliver strong financial management performance in the days ahead due to your commitment and dedication.

If you have any comments or questions concerning the attached inventory of data integrity action items, please contact Chris Simpson, I-MANAGE Program Manager at 202-586-4310.

Attachment

**Distribution:**

David L. Marks, Director, Office of Field Financial Management/  
Chief Financial Officer, National Nuclear Security Administration  
Thomas C. Foley, Acting Chief Financial Officer, Chicago Operations Office  
Christine Ott, Chief Financial Officer, Idaho Operations Office  
Kay B. Hansen, Acting Chief Financial Officer, Ohio Field Office  
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Timothy A. Rea, Financial Program Manager, Golden Field Office  
Gary A. White, Chief Financial Officer, Pittsburgh Naval Reactors Office  
Thru: Deputy Administrator, Office of Naval Reactors, NR-1  
William J. Leahy, Chief Financial Officer, Schenectady Naval Reactors Office  
Thru: Deputy Administrator, Office of Naval Reactors, NR-1  
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Harrison G. Pease, Chief Financial Officer, Western Area Power Administration

Plan of Action and Milestones (POA&M) for the Department of Energy's I-MANAGE STARS Accounting Transition Plan	Draft as of November 13, 2003
POCs: Mary Lynch; Laura Kramer	POA&M Identification #:

Task No.	Task Description	Start Date	End Date	Status	POC	Comments
1.0	Ensure Integrity of DISCAS Data	8/27/2003	2/27/2004			
1.1	Ensure legacy account balances are supported by verifiable substantiating documents	8/27/2003	2/27/2004		Field CFOs	For each account, report the status of reconciling the balance to supporting documents. In instances where an account balance is not directly supported by hard copy documents, "NA" may be used to report the status (e.g., 8151: Equity). Refer to the Excel spreadsheet provided for status reporting.
1.2	Ensure legacy subsidiary data sets agree with General Ledger control accounts	8/27/2003	2/27/2004		Field CFOs	Report the status of reconciling each amount field to the applicable crosswalk. Refer to Excel spreadsheet provided for status reporting.
1.3	Ensure each General Ledger data set record contains a valid CID (not all 9's)	8/27/2003	2/27/2004		Field CFOs	Reports will be run to verify status of progress by each office. The number of general ledger records containing a CID of 9's will be reported.
2.0	Resolve Stale Balances	8/27/2003	9/30/2004			
2.1	Accounts Receivable Clean-Up (DOE direct; not Integrated Contractors)	8/27/2003	3/31/2004		Field CFOs	
2.2	Gather data from Policy re: number and amount of A/R > 180 days delinquent	8/27/2003	12/31/2003		George Tengan	Policy has indicated that the receivables due from the public are for the most part under control. Currently, Dana Thibaut is reviewing the FY 2003 Receivable Due from Public (Schedule 9 Report) and will be able to share the results of this review later. As for inter-Governmental receivables, Albuquerque has reported some large receivables that require additional information to more fully explain the cause for the delinquencies.

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**POCs:** Mary Lynch; Laura Kramer

**POA&M Identification #:**

Task No.	Task Description	Start Date	End Date	Status	POC	Comments
2.3	Write-off delinquent debt in accordance with applicable regulations and DOE policy	11/3/2003	3/31/2004		Field CFOs	
2.4	Ensure allowance established for each bad debt is adequate to cover write-off	8/27/2003	3/31/2004		Field CFOs	
2.5	Ensure the retention of Accounts Receivable comply with requirements set forth in OMB Circular A-129	8/27/2003	3/31/2004		Field CFOs	
2.6	Ending Uncosted/Ending Unpaid Clean-Up	8/27/2003	9/15/2004		Field CFOs	
2.7	ORFSC will share QUIZ routines to generate reports of stale balances	8/27/2003	9/15/2003	Complete	Tammy McDuffie	NNSA and CAP reviewed the ORFSC routine. The other Service Centers have similar routines; however, it will be beneficial to use a standard routine to better measure results.
2.8	Ensure stale balances identified on ORFSC-furnished reports have valid retention requirement	9/16/2003	1/30/2004		Field CFOs	Includes contracts, purchase orders, procurement credit cards, blanket purchase agreements, permanent change-of-station orders, and other miscellaneous obligations.
2.9	Process appropriate documentation to support and record deobligations of unneeded balances	1/30/2004	1/30/2004		Field CFOs	
2.10	Perform on-going reviews especially during the period Jul – Sep 2004	7/2/2004	9/15/2004		Field CFOs	
2.11	Make funds available to support STARS Project	9/8/2003	11/4/2003		CFO	

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2.12	Develop position paper for path forward, solicit comments and obtain approval	9/8/2003	10/31/2003	Complete	Mary Lynch	Position paper is available upon request.
2.13	Update project plan with tasks to implement approved path forward	11/3/2003	11/4/2003		Mary Lynch	
2.14	Suspense Account Clean-Up	1/1/2004	9/30/2004		Field CFOs	
2.15	Clear transactions posted to suspense (including YN01) older than 90 days	1/1/2004	6/30/2004		Field CFOs	
2.16	Perform subsequent follow-up of suspense balances	7/1/2004	9/30/2004		Field CFOs	
2.17	Unpaid Invoices Clean-Up	6/1/2004	6/30/2004		Field CFOs	
2.18	Reconcile stale unpaid invoices with approving officials	6/1/2004	6/30/2004		Field CFOs	
2.19	Reconcile contract holdbacks with Procurement	6/1/2004	6/30/2004		Field CFOs	
2.20	Reconcile open contracts between DISCAS and PADS.	6/1/2004	6/30/2004		Field CFOs	A PADs to MARS Exception Report will be generated and distributed to Field CFO's to resolve identified differences.
3.0	Accelerate FY 2004 Fourth Quarter Payments	5/3/2004	9/24/2004			
3.1	Develop plans to accelerate FY 2004 fourth quarter payments.	7/2/2004	7/30/2004		Deployment Managers	

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Task No.	Task Description	Start Date	End Date	Status	POC	Comments
3.2	Modify DISCAS email notice to invoice approvers to accommodate accelerated payment schedule	5/3/2004	6/30/2004		Warren Huffer Cathy Lorah	
3.3	Issue memo to notify invoice approvers of requirement to approve invoices within 2 weeks of receipt	7/30/2004	7/30/2004		Field CFOs	
3.4	Determine period of suspension of payments for STARS implementation and notify stakeholders	9/1/2004	9/1/2004		Chris Simpson	
3.5	Identify exceptions to payment suspension and develop work-around (e.g., manual ECS entry; record in Oracle later)	8/2/2004	9/24/2004		Laura Kramer Jeff Payne	
4.0	<b>STARS Training</b>	<b>2/16/2004</b>	<b>4/1/2004</b>			
4.1	Review A-76 Service Provider's Training Plan	2/16/2004	2/27/2004		Laura Kramer Miriam Kurtyka	Review is necessary to ensure all aspects of training has been covered.
4.2	Develop Residual Organization Training Plan	3/1/2004	3/15/2004		Miriam Kurtyka	This task may be included in the A-76 Transition Team Charter. If so, it will be removed from the Accounting Transition Plan.
4.3	Reserve Classrooms	3/16/2004	4/1/2004		Field CFOs	Classrooms will be required for STARS training.
5.0	<b>FY 2004 Financial Statements</b>	<b>12/20/2003</b>	<b>12/17/2004</b>		FCR	
5.1	Prepare limited first quarter Financial Statements to be submitted to OMB	12/20/2003	2/13/2004			

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5.2	Prepare limited second quarter Financial Statements to be submitted to OMB	2/23/2004	4/21/2004		FCR	
5.3	Issue Year-End Guidance to Field Offices identifying any changes to the financial statement process and detailing required analysis for their third quarter financial statement footnote disclosures	6/7/2004	7/7/2004		FCR	
5.4	Prepare third quarter internal Financial Statements including footnotes and managerial cost allocations	7/7/2004	8/27/2004		FCR Field CFOs	
5.5	Establish list of outstanding issues for third quarter financial statements and present to internal auditors	8/26/2004	8/27/2004		FCR	
5.6	Follow-up with Field Offices regarding third quarter deficiencies	8/27/2004	9/30/2004		FCR	
5.7	Receive preliminary September data from Field Offices	10/8/2004	10/8/2004		FCR Field CFOs	
5.8	Prepare all queries, spreadsheets and links for yearend financial statements	8/30/2004	9/30/2004		FCR	

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Task No.	Task Description	Start Date	End Date	Status	POC	Comments
5.9	Prepare 1 <sup>st</sup> draft of the General Counsel Legal Representation Letter requesting information on legal cases to determine potential contingencies that must be recorded in the financial system and included in the yearend financial statements	8/2/2004	8/30/2004		FCR	
5.10	Receive final September data from the Field Offices	10/14/2004	10/14/2004		FCR Field CFOs	
5.11	Prepare and record adjustments for managerial cost allocations	9/27/2004	10/15/2004		FCR	
5.12	Prepare yearend cash reconciliation	10/4/2004	10/12/2004		FCR	
5.13	Record additional financial statement adjustments and elimination entries at the Headquarters level as needed	10/15/2004	10/15/2004		FCR	
5.14	Receive and record the September data from the PMA Offices	10/14/2004	10/15/2004		FCR PMA Offices	
5.15	Perform Intragovernmental reconciliations	10/17/2004	11/12/2004		FCR	
5.16	Prepare component statements, Nuclear Waste Fund and Isotopes	9/13/2004	11/11/2004		FCR	

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5.17	Receive final financial statement analysis and footnote disclosures from the Field Offices	10/15/2004	10/15/2004		FCR Field CFOs	
5.18	Issue call for any subsequent events for potential inclusion in the financial statements	11/8/2004	11/10/2004		FCR	
5.19	Submit FACTS I to Treasury	11/1/2004	12/17/2004		FCR	
5.20	Submit FACTS II to Treasury	9/1/2004	9/29/2004		FCR	
6.0	RJD Schedule	1/2/2004	5/10/2004			This task may be included in the A-76 Transition Team Charter. If so, it will be removed from the Accounting Transition Plan.
6.1	Develop plan to disposition historical official files	1/2/2004	2/27/2004		STARS Deployment Managers	
6.2	Determine archival location(s); record owner(s); retrieval process and related turnaround times; etc.	2/2/2004	2/27/2004		STARS Deployment Managers	
6.3	Determine archival criteria (e.g., closed for 6 mos or longer)	2/2/2004	3/19/2004		STARS Deployment Managers	
6.4	Develop MOU or other necessary document with archives recipient	3/1/2004	4/30/2004		STARS Deployment Managers	
6.5	Create standard label(s) to be used for all archived records	3/1/2004	3/31/2004		STARS Deployment Managers	

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6.6	Disseminate disposition plan including milestones, archival criteria, and related procedures	5/3/2004	5/10/2004		STARS Deployment Managers	
7.0	<b>STARS Interfaces</b>	<b>10/12/2003</b>	<b>10/6/2004</b>		Warren Huffer	The proposed list of interfaces to be completed for the implementation of STARS was distributed for review and comments on October 21, 2003. Comments are due no later than October 31, 2003.
7.1	Communicate STARS Interfaces Development Schedule to Field CFOs	10/1/2003	10/31/2003	Complete		
7.2	Develop work-arounds for data interfaces not accommodated by the STARS Interfaces Development Schedule	11/1/2003	10/6/2004		Field CFOs	
8.0	<b>Labor Management Relations</b>	<b>2/16/2004</b>	<b>12/31/2004</b>			
8.1	Review A-76 MEO Transition Plan to ensure labor management relations tasks are included	2/16/2004	3/12/2004		Laura Kramer Warren Huffer	This task may be included in the A-76 Transition Team Charter. If so, it will be removed from the Accounting Transition Plan.
8.2	Collaborate with HR and labor management lead to ensure STARS implementation impacts are shared timely	3/1/2004	12/31/2004		Laura Kramer Warren Huffer	
9.0	<b>Status Reports</b>	<b>11/30/2003</b>	<b>1/12/2005</b>		Field CFOs	
9.1	Field CFOs Report Status on Accounting Transition	11/30/2003	12/31/2004			Status updates should be reflected on this POAM and submitted to Mary Lynch on the last day of each month.
9.2	Deployment Managers monitor and report status on Accounting Transition	12/1/2003	1/12/2005		Deployment Managers	Deployment Managers will monitor status and contact offices, if applicable.